



## JOINT ECONOMIC COMMITTEE

### ROBERT F. BENNETT, CHAIRMAN

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## JEC RELEASES REPORT ON DISPARITY IN EMPLOYMENT SURVEY DATA

**Washington, DC**—The Joint Economic Committee (JEC) today released “A Tale of Two Employment Surveys,” a report today that delves into the growing disparity between two sets of employment data produced by the Bureau of Labor Statistics (BLS). The BLS uses two distinct surveys to measure the number of jobs in America, a payroll survey that measures the number of people employers have on their payrolls and a household survey that measures the number of individuals who report being employed.

“Measuring the economy is difficult in any circumstance, but nowhere is it more important than when assessing the labor market as the nation recovers from a recession,” said JEC Chairman Bennett.

The payroll survey released earlier this month indicates that the number of jobs has declined by 1.1 million since the end of the recession in November 2001, while the household survey indicates that the number of employed people has increased by 1.4 million. This jobs gap of 2.5 million is unprecedented. The JEC made calculations to control for an unusually large statistical adjustment the BLS made to its household estimate in January 2003. Making this correction, the JEC found that the household series still shows a gain of 1.1 million employed workers since the end of the recession and a jobs gap of 2.2 million.

The BLS states that the payroll survey provides a more comprehensive estimate of the number of people on the payrolls of established organizations. However, only the household survey measures those self-employed and those working in agriculture.

“The disparity between the two surveys may be due to inaccuracies in the surveys, changes in the workforce, or both; only time will tell. For these reasons, focusing only on the payroll survey is misleading. Analysts should consider both the household and payroll surveys in trying to understand the employment situation,” said Bennett.

The complete report can be viewed at <http://jec.senate.gov/studies/TwoSurveys.pdf>.

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